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National Association of Federally-Insured Credit Unions

January 4, 2017

The Honorable Paul Ryan
Speaker
U.S. House of Representatives
Washington, D.C. 20515

The Honorable Nancy Pelosi
Minority Leader
U.S. House of Representatives
Washington, D.C. 20515

Re: Support Regulatory Relief for Credit Unions

Dear Speaker Ryan and Leader Pelosi:

On behalf of the National Association of Federally-Insured Credit Unions (NAFCU), the only trade association exclusively representing the federal interests of our nation's federally-insured credit unions, I write today in support of H.R. 26, the *Regulations from the Executive in Need of Scrutiny (REINS) Act of 2017*. As you know, in the wake of the *Dodd-Frank Act*, the level of federal regulation credit unions face is at an all-time high. Regulatory relief for credit unions is desperately needed to enhance their ability to react to market conditions and meet the demands of their more than 105 million members.

The REINS Act represents an important step toward regulatory relief by requiring any executive branch regulation with an economic impact in excess of \$100 million, as scored by the Office of Management and Budget, to come before Congress for an up-or-down vote prior to enactment. It would also allow for greater congressional scrutiny of other rules. NAFCU believes H.R. 26 could help ensure additional accountability of the Administration and Congress regardless of which political party is in the majority.

The impact of the growing regulatory burden, in particular the growth of Consumer Financial Protection Bureau (CFPB) rulemaking, is evident as the number of credit unions continues to decline, dropping by more than 20% (more than 1,500 institutions) since the 2nd quarter of 2010; 96% of which were smaller institutions with assets of less than \$100 million. The fact is that many smaller institutions simply cannot keep up with the new regulatory tide and have merged out of business or closed their doors. It is with this in mind that NAFCU believes actions to bring regulatory relief to credit unions are essential.

Thank you for your leadership in bringing the REINS Act to the House floor and for considering additional ways to mitigate the excessive regulatory environment credit unions face. Should you have any questions or require any additional information please contact me or Chad Adams, NAFCU's Senior Associate Director of Legislative Affairs, at 703-842-2265 or cadams@nafcu.org.

Sincerely,

Brad Thaler
Vice President of Legislative Affairs

cc: Members of the House of Representatives